

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Prohibition & Excise - Scheme for procurement of Black Jaggery (during 2011-12 crop season) directly from the farmers to assist them in its disposal and to control illicit distillation of liquor - Orders - Issued.-

REVENUE (Ex.III) DEPARTMENT

G.O Ms.No. 87

Dt:16-02-2012

Read the following :-

1. Note from the Hon'ble Minister (Ex. & Proh), Note. No. 13 /M (E&P)/ 2011, dt.20.01.2011.
2. From the Commissioner of Prohibition and Excise, A.P Hyderabad Cr.No.B3/145/2011/CDB/Ex., dt:08.02.2011.

ORDER:-

Government have noticed that Black Jaggery is being misused in a large measure in illicit distillation (I.D.) of liquor in the State. Efforts are being made to seize it on the strength of confessions recorded from the accused persons who are indulging in the ID. Persistent efforts of the Prohibition and Excise Department in apprehending persons, who are found to be supplying Black Jaggery to illicit distillers, is giving results but total control over illicit distillation of liquor could not be achieved. As Black Jaggery is unfit for direct human consumption it is being purchased by a handful of traders for legitimate alternative use. In view of this, many small farmers, who grow sugarcane and produce Black Jaggery are being adversely affected.

2. Therefore, there is need for the intervention of Government in this matter. In order to help the farmers in disposal of their stock of Black Jaggery for lawful purposes, while simultaneously controlling illicit distillation of liquor, Government have decided to purchase Black Jaggery directly from the farmers.

3. Accordingly, Government hereby issue the following operational guidelines in order to implement the scheme of purchase of Black Jaggery directly from the farmers in the State during the current crop season:-

- (1) Procurement centers for Black Jaggery shall be opened by A.P State Co-operative Marketing Federation Limited (MARKFED) at the major production centres at Anakapally, Chittoor and Kamareddy in the premises of the respective Agriculture Market Committees (AMCs).
- (2) The APBCL would advance the working capital required for the purchase of Black Jaggery to the AP Markfed. The Procurement price will be decided keeping in view the average price realized by the farmers in the open market.
- (3) A Purchase Committee under the Chairmanship of the Joint Collector of the concerned District, the District Manager, A.P Markfed, Dy. Commissioner, Prohibition and Excise, Asst Cane Commissioner and the Secretary of the local Agriculture Market Committee will monitor the operations. The Committee shall call for and examine such details from farmers as the extent of sugar cane cultivated, quantity of Black Jaggery produced and the quantity offered for sale.

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- (4) Since the market prices vary during the season, purchase price may be fixed by this Committee taking into consideration such factors as cost of production, reasonable profit for the farmers etc. The purchase price should be comparable to the market price so that sizable purchases can be made to achieve the objective of eliminating Black Jaggery from the market while helping the farmers in getting remunerative prices.
- (5) The farmers, who manufacture Black Jaggery, shall submit details like area of sugar cane cultivated, quantity of Black Jaggery manufactured and the quantity intended for sale. The Purchase Committee shall get the Black Jaggery possessed by such farmers verified by the designated officials from the Excise/Revenue Department who would give certificate to that effect after verification.
- (6) The Purchase Committee shall furnish list of such farmers, whose Black Jaggery has been verified, along with quantities authorized for procurement to the concerned Marketing Officials. The concerned farmer or his representative should approach the Markfed purchase center along with the certificate and pattedar pass book or any other proof of identity for the sale of Black Jaggery at the AMC and the AMC shall make available the godowns for storage of Black Jaggery purchased by the Markfed free of cost. If the space provided by the AMC is not adequate for storage of Black Jaggery by the Markfed, the Markfed should utilize the storage space available with CEC/SWC/Private godown.
- (7) All payments to the farmers shall be made through account payee cheques only. Markfed will maintain a register containing the details of the names and addresses of the cane farmer, acreage of sugar cane grown, total quantity of Black Jaggery produced, quantity of Black Jaggery procured by the Markfed, rate of purchase, amount paid and cheque details etc.
- (8) The APBCL shall, if necessary, open separate Bank accounts for arranging advances to Markfed for purchase and incidental expenses at Chittoor, Anakapally and Kamareddy. Markfed will be paid 2.5 % service charges on the amount realized by the sale of Black Jaggery to meet its administrative expenditure e.g., TA & DA and other operational expenditures like handling, weightment and shifting from platform to godowns and godown rent etc. Arrangements shall be made to commence the operations at the Agriculture Market Committees at Anakapally, Chittoor and Kamareddy at the earliest.
- (9) The Black Jaggery, so procured, shall be disposed off immediately after purchase at the best available price to National Level Agencies outside the State so as to avoid storage and so that Black Jaggery procured will no longer be available locally.
- (10) A State Level Committee under the Chairmanship of the Commissioner Prohibition & Excise, M.D Markfed, M.D APBCL and Commissioner of Sugar & Cane Development shall identify the purchaser(s) and fix up the sale price. The Committee shall take all steps for the speedy disposal of the procured Black Jaggery. The M.D, Markfed shall obtain and send verification reports of successful delivery of Black Jaggery at the destinations to the Commissioner of Prohibition and Excise from time to time. The Commissioner of Prohibition and Excise shall give escort

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assistance to the vehicles transporting Black Jaggery to various locations for this purpose. The State Level Committee shall obtain consent of the Government before issuing orders for disposal of Black Jaggery.

- (11) The Joint Director (Technical), Office of the Commissioner of Prohibition and Excise will be the nodal officer for procurement and liaison with Markfed, Commissioner, Sugar, APBCL and other field officers concerned. The consultant Procurement & Marketing will act as the liaison officer on behalf of Markfed to coordinate with all the departments concerned.
4. For undertaking the purchase operations an initial working capital of Rs.4.00 Crore (Rupees Four Crores only) as advance shall be kept at the disposal of M.D Markfed. The amount would be advanced by the M.D, APBCL from out of the privilege fee payable to Govt.
5. All the concerned should take all necessary steps for implementing the above scheme successfully keeping in view, inter alia, the interest of the farmers who have produced Black Jaggery.
6. The Commissioner of Prohibition and Excise, AP., Hyderabad is requested to organize a result oriented action plan to control I.D. and district-wise revenue collections be reviewed bi-weekly.
7. This order issues with the concurrence of Finance Department vide their U.O Note No.5809-PFS/001/A2/Exp.Rev/2012, Dt: 02.01.2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**ASUTOSH MISHRA
PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Managing Director, Andhra Pradesh Beverages Corpn. Limited, Hyderabad
The M.D A.P MARKFED
The Director of Marketing, A.P Hyderabad
The Principal Secretary to Govt. (Co-Operation and Marketing) Dept.
The Principal Secretary to Govt Finance Dept.,
The Commissioner of Prohibition and Excise, A.P., Hyderabad
All the Dist Collectors in the State.
The Stock File.

//FORWARDED::BY ORDER//

SECTION OFFICER